

LS 6-0926a

**\*OGC Has Reviewed\***

**18 May 1956**

MEMORANDUM FOR: 25X1A9a [REDACTED]

SUBJECT: Connection with 25X1A5a1 [REDACTED]

25X1A5a1 1. We believe your report on your election as a trustee of the [REDACTED] is responsive to the Agency notice on conflict of interest, N 5-500-2. You indicate the only relationship between TSS and that company is with the Research Division and that you will have no responsibility for that division in your position as trustee.

25X1A5a1 2. The fact that the Agency does have contracts with the [REDACTED] and that you are retained by both the company and the Agency does raise for consideration the conflict of interest philosophy as applied to Government service. There is nothing specifically illegal in the mere existence of this dual relationship. The issue is whether it in any way affects arms-length dealing between the company and the Government. The best means for avoiding this issue and answering any possible allegations of impropriety is to have an unassailable position on record. It should be clear from the records of the company that you, in fact, do not have any responsibility for the Research Division, and that if you have any contact with it at all, such contact has no relation with dealings between the Research Division and this Agency. On the other side of the coin, it should be a matter of specific record within the Agency that in connection with your responsibilities to TSS you have no relation to the development of requirements which may be made on the [REDACTED] nor to the negotiation or terms of any contractual relationship between this Agency and that company.

3. In accordance with the above-mentioned Agency notice, N 5-500-2, I have sent a copy of this memorandum to the Inspector General.

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LAWRENCE R. HOUSTON  
General Counsel

cc: Inspector General

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*added:* 